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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

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BOB STUMP - Chairman
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AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
TRUXTON CANYON WATER COMPANY, INC.
FOR APPROVAL OF A RATE INCREASE.

DOCKET NO. W-02168A-11-0363

IN THE MATTER OF THE APPLICATION OF
TRUXTON CANYON WATER COMPANY, INC.
FOR APPROVAL OF A REVISION OF THE
COMPANY'S EXISTING TERMS AND
CONDITIONS OF WATER SERVICE.

DOCKET NO. W-02168A-13-0309

IN THE MATTER OF THE APPLICATION OF
TRUXTON CANYON WATER COMPANY, INC.
FOR AUTHORITY TO INCUR LONG-TERM
DEBT.

DOCKET NO. W-02168A-13-0332

PROCEDURAL ORDER

BY THE COMMISSION:

On September 30, 2011, in Docket No. W-02168A-11-0363 ("rate docket") Truxton Canyon Water Company, Inc. ("Truxton" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for an increase in its water rates and charges, using a test year ("TY") ending June 30, 2011. Truxton's application requested authorization to increase its rates to generate an additional \$312,034 in gross revenues per year, resulting in a 97.24 percent increase over unaudited test year revenues. Truxton's application stated that the additional revenues would be obtained through having the Valle Vista Property Owner Association ("VVPOA") become a customer of Truxton.

On October 31, 2011, the Commission's Utilities Division ("Staff") issued a Letter of Sufficiency in this docket stating that Truxton's application had met the sufficiency requirements as outlined in A.A.C. R14-2-103 and that Truxton had been classified as a Class C utility.

On November 4, 2011, by Procedural Order, the rate case hearing was set to begin on May 7, 2012, and other procedural deadlines were established.

1 On December 1, 2011, VVPOA filed a Motion to Intervene in this proceeding, which was
2 granted on January 3, 2012, by Procedural Order.

3 Subsequently, on January 31, 2012, Staff filed a Motion to Suspend Timeclock; the timeclock
4 in the rate docket was suspended; the hearing date was used for the taking of public comments; and
5 Staff was directed to file a request to reinstate the timeclock and a request to reset the procedural
6 schedule, once Staff had received the Company's outstanding data responses.

7 On September 5, 2012, Staff filed a Request for Procedural Order, requesting that the
8 Commission order Truxton to update its application with revised data reflecting a new TY using the
9 twelve months ending June 30, 2012, and that the Company be given until October 31, 2012, to
10 provide the updated data.

11 On September 26, 2012, a Procedural Conference was held as scheduled. Staff, Truxton, and
12 VVPOA appeared through counsel. During the procedural conference, the parties stated that Truxton
13 and Staff had reached an agreement, in which Truxton agreed that it would amend its rate application
14 using a 2012 TY.

15 On February 15, 2013, Truxton docketed an amended rate case application, using a TY ending
16 December 31, 2012, and requesting an increase in its rates to generate an additional \$300,000 in gross
17 revenues per year, over unaudited test year revenues.

18 Truxton filed updated rate case supporting documents a week later.

19 On August 26, 2013, Staff filed a Request to Reinstate Timeclock and Reset Procedural
20 Schedule, stating that Staff had received sufficient information to enable it to complete its direct
21 testimony, and requesting that the timeclock in this matter be reinstated and the procedural schedule
22 be reset.

23 On October 2, 2013, a Procedural Order was issued scheduling the hearing in this matter,
24 establishing other procedural requirements and deadlines, and reinstating the timeclock in this matter.

25 On September 11, 2013, in Docket No. W-02168A-13-0309 ("service docket"), the Company
26 filed with the Commission an application for approval of a revision of the Company's existing terms

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28 ...

1 and conditions of water service. On September 30, 2013, in Docket No. W-02168A-13-0332
2 (“financing docket”) the Company filed with the Commission an application for authority to incur
3 long-term debt.

4 On October 10, 2013, Staff filed, in the rate docket, the service docket, and the financing
5 docket, Staff’s Motion to Consolidate, requesting that the three dockets be consolidated because they
6 are interrelated and their outcomes will impact each other. Staff also requested that the procedural
7 schedule for the rate docket be retained and used for the consolidated matter. Staff asserted that both
8 Truxton and VVPOA had been consulted and indicated no objection to Staff’s proposal.

9 No objection has been filed.

10 Due to the interrelatedness of the rate docket, service docket, and financing docket, it is
11 reasonable and appropriate to consolidate the dockets into one matter, which will move forward in
12 accordance with the established procedural schedule for the rate docket.

13 IT IS THEREFORE ORDERED that Docket Nos. W-02168A-11-0363, W-02168A-13-0309,
14 and W-02168A-13-0332 are **hereby consolidated**.

15 IT IS FURTHER ORDERED that the consolidated matter shall proceed according to the
16 schedule established in the Procedural Order issued on October 2, 2013, in Docket No. W-02168A-
17 11-0363.

18 IT IS FURTHER ORDERED that Truxton Canyon Water Company, Inc. shall, by **October**
19 **28, 2013, file certification of public notice** for its financing application.

20 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
21 Communications) applies to this proceeding, as the matter is now set for public hearing, and shall
22 remain in effect until the Commission’s Decision in this matter is final and non-appealable.

23 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
24 31 and 38 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

25 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
26 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona
27 Supreme Court Rule 42). Representation before the Commission includes the obligation to appear at
28 all hearings, procedural conferences, and Open Meetings for which the matter is scheduled for

1 discussion, unless counsel has previously been granted permission to withdraw by the Administrative
2 Law Judge or Commission.

3 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
4 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

5 DATED this 21st day of October, 2013.

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9 JOVETTE B. KINSEY
ADMINISTRATIVE LAW JUDGE

10 Copies of the foregoing mailed
11 this 21st day of October, 2013 to:

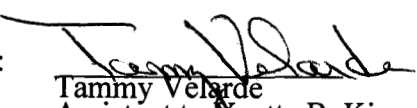
12 Steve Wene
13 MOYES SELLERS & HENDRICKS LTD.
1850 North Central Avenue, Suite 1100
13 Phoenix, AZ 85004
Attorneys for Truxton Canyon Water Co., Inc.

14 Todd Wiley
15 FENNEMORE CRAIG, P.C.
2394 E. Camelback Rd., Suite 600
16 Phoenix, AZ 85016
Attorneys for Intevenor Valle Vista Property Owner Association

17 Michael Neal, Statutory Agent
18 Truxton Canyon Water Co., Inc.
7313 E. Concho Drive, Suite B
Kingman, AZ 86401

19 Janice Alward, Chief Counsel
20 Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

21 Steven M. Olea, Director
22 ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

23
24 By: 
25 Tammy Velarde
26 Assistant to Jovette B. Kinsey
27
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